the views of different State Governments on the issue; and

(d) whether this facility of return on equity is also guaranteed to foreign supplied power projects in States or will depend on case to case?

THE MINISTER OF STATE IN THE MINISTRY OF POWER (SHRI P.V. RANGAYYA NAIDU): (a) to (c) In the context of acute power shortage and severe resource crunch in the public sector, participation of private sector in the capacity addition in generation, supply and distribution to bring in additionality of resources, necessary, legislative amendments to the Electricity supply Act, 1948 and Indian Electricity Act, 1910 were made in October 1991 which permitted generating companies in the private sector.

Prior to the necessary legislative amendments, State Governments were consulted on the subject. The amendments were carried out after the approval of the Parliament. The amendments, *inter alia* provided a rate of return of 5% above the RBI rate for licenses (which 2 worked out to 16% at that time) and also empowered the Central Government to notify from time to time the operational norms, rates of depreciation reasonable return etc. for determining the tariff for sale of electricity by a generating company to the Board, While fixing a reasonable return for generating companies, the incentive provided to the licensees was taken as a basis and a 16% ROE was provided as an element of fixed cost at 68.5% PLF.

(d) The provision of 16% return on equity is equally applicable to all the projects set up by the generating companies both in public and private sector after 30-3-1992.

Kahalgaon super thermal station

1048. SHRI DIPANKAR MUKHERJEE:
SHRIMATI CHANDRA KALA PANDEY:

Will the Minister of POWER be pleased to state:

(a) what was the schedule of completion of coal firing of Units I, II, III and IV of Kahalgaon Super Thermal Station of NTPC;

(b) when did the coal firing atually commence in units I and II and the reasons for the delay if any, and the agency accountable therefor;

(c) what are the likely dates of coal firing of units III and IV; and

(d) what has been the finding of the enquiry committee in the explosion of boiler of Unit I in September 1992 leading to loss of 11 lives?

THE MINISTER OF STATE IN THE MINISTRY OF POWER (SHRI P.V. RANGAYYA NAIDU): (a) The Kahalgaon Thermal Power Project (stage-I) of the National Thermal Power Corporation (NTPC) in Bhgalpur district of Bihar comprises four units of 210 MW each. These units were scheduled to be commissioned in a phased manner starting from first unit by 4th quarter 1991-92 and the last unit by second quarter 1993-94.

(b) The actual commencement of coal firing of unit I and II was on the 18th August, 1994 and 30th November, 1994 respectively.

The project was being built with technical and financial assistance from the erstwhile U.S.S.R. The delay and distruption in supply of equipment and material under the arrangements as originally envisaged consequent on the break up of this erstwhile USSR accident in boiler of Unit I in Octo-

ber, 1992 have caused delay in completion of the units. The accident in the boiler of Unit I was caused due to system failure.

(c) The expected date of coal firing of Unit III and IV is June, 1995 and March, 1996 respectively.

(d) The enquiry committee has identified the cause of explosion as to build up of air and light diesel oil mixture in the flammable region within the boiler and the presence of ignition energy to ignite the flammable mixture within the boiler furnace The explosion resulted in rupture of certain boiler tubes causing release of steam which lead to the loss of 11 lives.

Legislation for power conservation

1049. SHRI ANANT RAM JAISWAL:
SHRI SATYA PRAKASH MALAVIYA:
SHRI DIGVIJAY SINGH

Will the Minister of POWER be pleased to state:

(a) whether Government are contemplating to enact a separate law or to bring any amendment in the existing laws for power conservation;

(b) if so, whether the draft of law to be enacted for power conservation has been prepared; if so, the details thereof;

(c) whether a provision for penalizing institutions/industrial establishments which waste/misuse of power would be introduced; and

(d) what measures would be taken by Government for strict observance of the law?

THE MINISTER OF STATE IN THE MINISTRY OF POWER (SHRI P. V. RANGAYYA NAIDU): (a) to (d) A Working Group on Selective Legislation for Energy Conservation has been set up by the Ministry of Power. The Group is yet to submit their report to Government on receipt of the same, it would be considered by Government and appropriate action would be taken.

Private sector participation in power sector

1050. SHRI CHIMANBHAI MEHTA: Will the Minister of POWER be pleased to state:

(a) the number of power projects approved in the private sector and projected investment by private sector as on date;

(b) what is the estimated cost per unit for the consumers from the private sector projects; and

(c) the details of Indian and foreign investment in power sector and estimated generation of electricity in quantum terms?

THE MINISTER OF STATE IN THE MINISTRY OF POWER (SHRI P. V. RANGAYYA NAIDU): (a) to (c) As on date proposals have been received for setting up of 93 generation projects for a capacity addition of 53514 MW involving an approx. investment of Rs. 1,94,298 crores. Out of these 41 proposals are from foreign investors (including NRI and Joint Venture proposals) for a capacity addition of 38402 MW involving an investment of approx. Rs. 1,42,880 crores. Out of 41 proposals involving foreign investment, 12 of them have been cleared from foreign investment angle. Almost all these projects are envisaging bulk sale of power to the State Electricity Boards (SEBs) through Power Purchase Agreements (PPA). Hence Power generated from these projects will be pooled into the SEBs grid who will supply the electricity to the consumers as per their prevailing trarif schedules.